

## REMARKS

The Office Action has been carefully considered. Claims 1-55 are pending. Claims 1, 7-9, 25, 31-33, and 49-52 are currently amended. Claims 1-55 were rejected in the following manner:

1. Claims 1-9, 11-19, 21-33, and 35-55 were rejected under 35 U.S.C. §103(a) as being unpatentable over U.S. Patent App. No. 2002/0083435 A1 to Blasko et al. (“*Blasko*”) in view of U.S. Patent No. 6,718,551 to Swix (“*Swix*”) and U.S. Patent No. 7,200,853 to Kawai (“*Kawai*”).
2. Claims 10, 20, 34, and 44 were rejected under 35 U.S.C. § 103(a) as being unpatentable over *Blasko*, in view of *Swix* and *Kawai*, and further in view of U.S. Patent No. 6,950,623 to Brown (“*Brown*”).

Applicant appreciates the Examiner’s taking the time to conduct a telephone interview with Applicant’s representative on September 8, 2008 (hereinafter “Interview”). As discussed during the Interview, Applicant has amended Claims 7-9, 31-33, and 50-52 in order to clarify the intended scope of those claims. Applicant has also amended Claims 1, 7, 25, 31, and 49-50 to delete the word “predetermined.” This word was deleted merely to clarify the intended scope of the claims, not in view of the prior art.

### Finality of the Next Action Is Precluded

Applicant notes the Office Action does not specifically reject at least one element that was added by amendment to Claims 7-8, 31-32, and 50-51 in Applicant’s filing of March 26, 2008. Specifically, the Office Action omits any explanation of how any cited art renders obvious the following element: “asynchronously retrieve advertisements... in an adaptive manner that is consistent with a **rendering quality objective** for receiving and rendering said streaming program **on said client.**” The modifier “rendering” was added to Claims 7-8, 31-32, and 50-51 to clarify that advertisements are retrieved with the objective of ensuring the quality (i.e., fidelity) of the rendered streaming program from the perspective of the client. However, in the Office Action, Claims 7-8, 31-32, and 50-51 were rejected on exactly the same (word for word) bases as were articulated in previous Office Actions, which addressed previous versions of Claims 7-8, 31-32, and 50-51.

Thus, the Office Action omits any explanation of how any cited art renders obvious retrieving advertisements in an adaptive manner that is consistent with a rendering quality objective for rendering a streaming program on a client. Applicant respectfully submits that this omission amounts to a failure to articulate a prima facie case of obviousness and that the burden to rebut this “rejection” has not yet shifted to the Applicant. Consequently, a next Office action rejecting Claims 7-8, 31-32, and 50-51 cannot properly be made final since only then would the Applicant be obligated to rebut the rejection, presuming that such an Office action sets forth a prima facie case. *See* MPEP § 706.07(a).

### **35 U.S.C. §103 Rejections**

To establish a *prima facie* case of obviousness under 35 U.S.C. § 103, the Office has the burden to meet three basic criteria. First, the Office must show that there is some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to combine the reference teachings. The teaching or suggestion to make the claimed combination must be found in the prior art, not based on applicant’s disclosure. Second, the Office must show that the teachings in the prior art have a reasonable expectation of success. Third, the Office must show that **the combined prior art references teach or suggest all the claim limitations**. *See* MPEP § 2142. “When the prior art teaches away from combining certain known elements, discovery of successful means of combining them is more likely to be nonobvious.” *KSR International Co. v. Teleflex Inc.*, 550 U.S. at \_\_\_, 82 USPQ2d at 1395. Moreover, if the proposed modification would render the prior art invention being modified unsatisfactory for its intended purpose, or if the proposed modification would change the principle of operation of the prior art invention being modified, then there is no suggestion or motivation to make the proposed modification.” MPEP § 2143.01 ¶¶ V-VI.

In the Office Action, Claims 1-9, 11-19, 21-33, 35-43, and 44-55 were rejected under 35 U.S.C. §103(a) as being unpatentable over *Blasko* in view of *Swix* and *Kawai*. Applicant respectfully disagrees with the rejections.

As presently amended, Claim 1 reads as follows:

In a client system, a method of operation comprising

providing an advertisement publisher with a profile of the user of client system at a time prior to streaming of a program;

**asynchronously** caching, at a client cache, a plurality of advertisements of various time lengths **contemporaneous with streaming of a program**; and

causing one or more of said cached advertisements to be synchronously rendered during an advertisement time slot of a streaming program, replacing advertisements, if any, included in the streaming program for the advertisement time slot.

Claim 25 recites similar elements.

Applicant agrees with the Office Action's determination that *Blasko* in view of *Swix* does not teach or suggest "**asynchronously** caching... a plurality of advertisements... **contemporaneous with streaming of a program**," as claimed in Claim 1. The Office Action asserts *Kawai* remedies this defect. However, Applicant respectfully disagrees with the Office Action's assertion for at least two reasons.

First, *Kawai* does not teach or suggest "**asynchronously** caching... a plurality of advertisements...." On the contrary, *Kawai* teaches merely that users may interact with advertisements, in the same manner that they interact with computer games, "in unreal time (asynchronously)." *See, e.g.*, Col. 3 lines 22-23; Col. 4 lines 1-3, 31-33; Col. 11 lines 33-34; Col. 34 lines 21-23, 35-36. While the exact meaning of "in unreal time (asynchronously)" is not absolutely clear, it is clear that *Kawai* uses the phrase exclusively to refer to the manner in which an advertisement is experienced by a user after it has been received by a device, not to the manner in which an advertisement is cached, as claimed in Claim 1. Thus, *Kawai* does not teach or suggest "**asynchronously** caching... a plurality of advertisements....," as claimed in Claim 1. Consequently, none of the cited references, alone or in combination, teach or suggest this element of Claim 1.

Second, notwithstanding that the cited references do not teach or suggest all elements of Claim 1, one of ordinary skill in the art would not have found it obvious to combine the cited references, as suggested in the Office Action, because the over-the-air broadcast systems disclosed in *Kawai* are fundamentally incompatible with the system disclosed in the primary reference, *Blasko*. Consequently, the asserted combination is improper because modifying *Blasko* with the teachings of *Kawai* would change *Blasko*'s principle of operation and would render *Blasko* unsatisfactory for its intended purpose. *See* MPEP § 2143.01 ¶¶ V-VI.

Before explaining in detail why the asserted combination is improper, it is necessary to review *Blasko* and *Kawai*.

*Blasko* is directed towards providing targeted TV advertisements “that have been selected or prepared to interest particular subscribers.” ¶ [0007]. Indeed, *Blasko* specifically criticizes the existing art, wherein “advertisements are simply part of the data stream from the head end, i.e., from the central office of the television service provider to all subscribers of that service.” ¶ [0005]. *Blasko* uses two-way data communication networks and “addressable set top boxes (STBs) which are coupled to the front end of the subscriber's television and process the data stream before forwarding a channel of it to the television.” ¶ [0006]. Using such two-way, one-to-one communication between a subscriber’s STB and a TV service provider, “the service provider can send different data to different subscribers.” *Id.*

Thus, *Blasko*’s intended purpose is to provide individualized targeted TV advertisements, and *Blasko*’s principle of operation is to use two-way, one-to-one data communication to effectuate its purpose.

By contrast, *Kawai* discloses a system for distributing interactive advertising content (e.g., games or interactive 3-D product visualizations) by “inserting the [advertising] content into a carrying signal... transmitting the carrying signal... to a user information processing apparatus.” Col 3 lines 37-47. After the user information processing apparatus tunes into the transmitted carrying signal and extracts the advertising content from the carrier signal, “the user can see an advertisement video image or hear audio information... like playing a game.” Col. 4 lines 29-33.

More particularly, in every embodiment described in *Kawai*, the advertising content is “transmitted by being multiplexed in a vertical blanking period of a television broadcast signal (carrying signal).” Col. 3 lines 54-58. For example, *Kawai*’s first embodiment, as cited by the Office Action, is illustrated in Fig. 4 and is described as a tuner-equipped entertainment device,

wherein electronic information contents concerning an advertisement (hereinafter, referred to as advertisement information D2) and broadcast information contents D1 are received and stored. A coaxial cable 40 is connected to an entertainment device 101 to reach a coaxial terminal 44. An aerial wire antenna 42 is connected to this coaxial terminal 44, so that advertisement information D2 concerning a data broadcasting program and an

interactive advertisement as well as TV program broadcast caused by a general terrestrial wave are received.

Col. 12 lines 1-15. Each and every other embodiment is similarly described as receiving an over-the-air broadcast signal through a tuner attached to an antenna.<sup>1</sup> Thus, *Kawai*'s teachings are entirely directed towards transmitting advertisements multiplexed into an over-the-air broadcast. It is well known in the art that by its very nature, *Kawai*'s over-the-air broadcast infrastructure is a one-way, one-to-many system (one transmission serves many clients). *Kawai* discloses nothing to even suggest any alternate means of transmitting advertisements, and *Kawai* certainly never even suggests the possibility or desirability of transmitting advertisements in a manner that would allow providing targeted ads to individuals (as in *Blasko*).

Now that the purposes and principles of *Blasko* and *Kawai* have been set out, it becomes apparent that the asserted combination would not have been obvious on at least two bases.

Applicants respectfully submit that it would not have been obvious to combine the cited references because doing so would render *Blasko* unsatisfactory for its intended

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<sup>1</sup> See, e.g., Figs. 9 and 14-15 and associated text: Col. 12 lines 8-15 (describing the first embodiment, “[a]n aerial wire antenna 42 is connected to this coaxial terminal 44, so that advertisement information D2 concerning a data broadcasting program and an interactive advertisement as well as TV program broadcast caused by a general terrestrial wave are received”); Col. 19 lines 55-60 (describing an entertainment device embodiment, “the broadcast information contents D1 concerning a data broadcasting program and a group of data consisting of advertisement information D2 concerning vehicle sales are received by means of a tuner 21 through an antenna 42, a coaxial terminal 44, and a coaxial cable 40”); Col. 21 lines 31-33 (describing the second embodiment, “[t]his tuner device 24 is similar to that in the first embodiment in that the advertisement information D2 according to a data broadcasting program and an interactive advertisement is received and stored”); Col. 28 lines 60-63 (describing the third embodiment, “data received by the tuner device 24’ is directly transferred to and stored in the data storage”).

Only one device mentioned in *Kawai* even refers to the possibility of any sort of non-broadcast data communication. Specifically, the “hand held terminal device 401 with a tuner device” illustrated in Fig. 17 includes an optional data communication modem, used to implement a telephone function on the hand held terminal device. Col. 32 lines 42-50. However, the description of the operation of the hand held terminal device indicates that advertisements are not received via the data communication modem, but through “an existing terrestrial broadcasting infrastructure, and data concerning an interactive advertisement are distributed from the broadcast station 9 to the hand held terminal device 401.” Col. 31 lines 20-23.

purpose. Specifically, if *Blasko* were modified to transmit advertisements by multiplexing advertisements into the vertical blanking interval of a broadcast TV signal, as taught by *Kawai*, *Blasko* would no longer be able to target advertisements at individual TV subscribers because *Kawai*'s multiplexed "terrestrial wave" broadcasts (i.e., over-the-air TV broadcasts) cannot, by their very nature, be targeted to individuals. Rather, it is well known in the art that over-the-air TV broadcasts are transmitted identically to all tuners within reception range. Indeed, *Kawai* teaches merely that advertisements "can be changed day by day," and not in any manner targeted to an individual. See Col 35 lines 35-36. Thus, it would not have been obvious to modify *Blasko* according to the teachings of *Kawai* because the combination would prevent *Blasko* from providing targeted advertisements, thereby "render[ing] the prior art invention being modified [*Blasko*] unsatisfactory for its intended purpose." See MPEP § 2143.01 ¶ V.

Similarly, Applicants respectfully submit that it would also not have been obvious to combine the cited references because doing so would change *Blasko*'s principle of operation. Specifically, if *Blasko* were modified to transmit advertisements by multiplexing advertisements into the vertical blanking interval of a broadcast TV signal, as taught by *Kawai*, *Blasko* would have to abandon its principle of operation, namely, using two-way, one-to-one data communication to deliver individually targeted ads. Thus, modifying *Blasko* according to the teachings of *Kawai* is not obvious because "the proposed modification would change the principle of operation of the prior art invention being modified." See MPEP § 2143.01 ¶ VI.

For at least the reasons just discussed, Applicant respectfully submits that the Office Action has failed to state a *prima facie* case that Claim 1 is obvious. Therefore, Applicant respectfully submits that Claim 1 is patentable over *Blasko* in view of *Swix* and *Kawai*.

Independent Claims 7, 25, 31, and 49-50 recite elements that are similar to those discussed with respect to Claim 1 and are allowable by similar reasoning.

In addition, Claim 7 also recites additional elements that are not taught or suggested by the prior art of record. For example, in Applicant's paper filed on March 26, 2008, Claim 7 was amended to recite, *inter alia*, that advertisements were retrieved in a manner consistent

with a “**rendering** quality objective.” As discussed with the Examiner during the Interview, Applicant intends that “rendering quality” refer to a perceptible fidelity baseline. By current amendment, Claim 7 has been further clarified, reciting that advertisements are retrieved in “an adaptive manner **to minimize interference with a discernable quality, from the client system’s perspective, of the contemporaneous receiving and rendering of said streaming program on said client system.**” Applicant respectfully submits Claim 7, at least as currently amended, in condition for allowance.

In the Office Action, Claim 7’s “quality objective” was interpreted unreasonably broadly, having been given a meaning with virtually no relationship to the claim or the specification. The Office Action goes on to analogize Claim 7’s “quality objective” to *Blasko*’s teaching that an advertiser may set a performance criterion related to the number of ad impressions to be displayed to users.

However, according to Claim 7, advertisements are retrieved in an “an adaptive manner **to minimize interference with a discernable quality, from the client system’s perspective, of the contemporaneous receiving and rendering of said streaming program on said client system.**” Thus, Claim 7 claims that advertisements are retrieved with the objective of ensuring the quality (i.e., fidelity) of the rendered streaming program from the perspective of the client. Accordingly, *Blasko* in view of *Swix* cannot be said to teach or even suggest this element of Claim 7.

*Kawai* does not remedy this deficiency. Indeed, *Kawai* never teaches or even suggests that a client system may retrieve advertisements in an **adaptive** manner, let alone in “an adaptive manner to minimize interference with a discernable quality, from the client system’s perspective, of the contemporaneous receiving and rendering of said streaming program on said client system,” as claimed in Claim 7.

Accordingly, *Blasko* in view of *Swix* and *Kawai* cannot be said to teach or even suggest that advertisements are retrieved in an “an adaptive manner to minimize interference with a discernable quality, from the client system’s perspective, of the contemporaneous receiving and rendering of said streaming program on said client system,” as claimed in Claim 7. Claims 31 and 50 recite elements that are similar to those in Claim 7 and are allowable by similar reasoning.

Claims 8, 32, and 51 have also been amended to provide further clarity regarding the nature of the rendering quality preserving adaptive retrieval claimed in Claims 7, 31, and 50. Specifically, amended Claims 8, 32, and 51 specify that adaptive retrieving comprises monitoring “at least one of a late arrival rate, a loss rate, and a resend rate of data packets associated with said streaming program to determine whether asynchronously retrieving said plurality of advertisements is interfering with said discernable quality.” Applicants respectfully submit that neither *Blasko*, *Swix*, nor *Kawai*, alone or in combination, teaches or suggests this element. Accordingly Applicants respectfully submit that for this additional reason, Claims 8, 32, and 51 are in condition for allowance.

Claims 9, 33, and 52 have also been amended to provide still further clarity. In particular, according to amended Claims 9, 33, and 52, adaptive retrieving comprises “adjusting a download rate at which said plurality of advertisements are asynchronously retrieved.” Applicants respectfully submit that neither *Blasko*, *Swix*, nor *Kawai*, alone or in combination, teaches or suggests this element. Accordingly Applicants respectfully submit that for this additional reason, Claims 9, 33, and 52 are in condition for allowance.

Applicants respectfully submit that dependent Claims 2-6, 10-24, 26-30, 34-48, and 52-55 are allowable at least because each of these claims depends directly from a claim that has been shown to be allowable.

For at least the reasons above, Applicants respectfully submit that Claims 1-55 are allowable and request that the Examiner permit these claims to proceed to issuance. Although additional arguments are believed to exist for distinguishing the cited documents, the arguments presented are believed sufficient to address the Examiner’s rejections. Likewise, failure of the Applicant to respond to a position taken by the Examiner is not an indication of acceptance or acquiescence of the Examiner’s position. Instead, it is believed that the Examiner’s positions are rendered moot by the foregoing arguments, and it is therefore not believed necessary to respond to every position taken by the Examiner with which Applicants do not agree.



## **CONCLUSION**

Applicants submit that all pending claims are in condition for allowance. Accordingly, early and favorable action allowing all of the pending claims and passing this application to issue is respectfully requested. The Examiner is respectfully requested to contact the undersigned at the telephone number below if there are any remaining questions regarding this application.

We believe the appropriate fees accompany this transmission. If, however, insufficient fee payment or fee overpayment occurs, the amount may be withdrawn or deposited from/to Axios Law Group's deposit account. The deposit account number is 50-4051.

Respectfully submitted,  
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